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MEMORANDUM FOR THE RECORD

SUBJECT: Amendment No. 1 to Letter Contract No. 03-100 with Hycon Manufacturing Company - Project (AQUATONE)

- 1. This memorandum contains a recommendation submitted for approval of the Director of Central Intelligence. Such recommendation is set forth in Paragraph 5.
- 2. Letter Contract No. OS-100 provides for the services oversees of contractor personnel trained under Contract No. FS-99 by
 Hyeon Mammfacturing Company Project Such personnel
 consists of field engineers, film processors, and similar cemera
 operations and maintenance personnel and related supervisory
 personnel.
- 3. An amount not to exceed \$45,000 has been obligated under Letter Contract No. OS-100 from Fiscal Year 1956 AQUATONE funds to cover work and services for the period from 1 April 1956 through 30 June 1956. It is estimated that the total contract price for the contractor's services for the period 1 July 1956 to 30 June 1957 will approximate \$510,000. Of this sum, only \$250,000 of Fiscal Year 1957 AQUATONE funds are being obligated under Amendment No. 1. The balance of funds necessary to provide services to 30 June 1957 will be obligated later in the fiscal year when a more realistic estimate of the contract requirements can be determined.
- 4. By memorandum, SAPC-6013, from the Director of Central Intelligence to the Comptroller, it was certified that in accordance with the provisions of Section 10(b) of Public Lew 110, 81st Congress, the sum of \$500,000 is available from Fiscal Year 1957 funds for Contract No. OS-100, Project

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5. Approval of Amendment No. 1 to Letter Contract No. 08-100 and execution thereof on behalf of the Agency by the authorised Project Contracting Officer is recommended.

SIENED

FICHARD M. BISSELL, JR. SA/PC/DCI - Project Director

CONCUE FENCES:

General Counsel

Comptroller

Approval requested in Paragraph 5, granted.

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Director of Central Intelligence